

Environmental and Energy Services CITY OF BOSTON

THOMAS M. MENINO Mayor

February 11, 2011

JAMES W. HUNT, III Chief of Environmental and Energy Services

Mark Sylvia, Commissioner Massachusetts Department of Energy Resources 100 Cambridge St., Suite 1020 Boston, MA 02114

Re: Proposed Commercial Building Energy Asset Rating and Labeling Program

Dear Commissioner Sylvia:

I write in support of the proposed pilot of a commercial building energy asset rating and labeling program. The comprehensive White Paper, "An MPG Rating for Commercial Buildings: Establishing a Building Energy Asset Labeling Program in Massachusetts," clearly outlines the potential benefits of and identifies the challenges inherent in developing and implementing a pilot program.

Background

The City of Boston strongly supports the development of both commercial and residential energy labeling programs. The City of Boston was an early proponent and adopter of both the US Green Building Council's LEED standards and the Energy Star labeling program. In its 2010 report, the Mayor's Climate Action Leadership Committee, whose membership reflected all sectors of the Boston community, recommended that Boston:

- Develop an energy rating and labeling requirement for Boston residential properties that makes this information available for prospective owners or tenants, and link this, through Renew Boston, to utility efficiency programs
- Implement an energy rating and labeling program for all commercial buildings over 100,000 square feet that makes this information available for prospective owners or tenants and phase in this program for all commercial buildings over 5,000 square feet by 2015

Technical Comments

DOER's plan to give serious consideration to the adoption of ASHRAE Building EQ is consistent with Boston's belief that rating systems should, to the greatest extent possible, incorporate a set of

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national standards for asset rating and labeling. In the meantime, the standards for the pilot and a subsequent program should also relate to the Commonwealth's energy base code and stretch code.

We support technical over statistical rating to ensure movement to the goal of zero-energy buildings by 2030. With that in mind, the rating system — if not based on an absolute scale — should be phased in over time to ease adoption and incorporate rising expectations (i.e. an "A" in 2014 should not be an "A" in 2024).

It is important to integrate asset rating with operational rating — energy investments should be designed to meet the operational needs of occupants and occupants should be accountable for their own contributions toward attaining and maintaining the best possible rating for a property.

As recommendations for upgrades may call for multiple exterior and interior changes to a structure, we ask that DOER consider including a representative from the design community in program discussions.

The proposal relies heavily upon the availability of utility incentives and financing programs. We agree that effective outcomes will likely result when rating reports are coupled with energy-efficiency and cost-saving recommendations and integrated with existing and future incentive programs. We also believe that consideration should be given to future scenarios in which the assumed level of incentives and financing may not be available.

As recommended by the Mayor's Leadership Committee, the City of Boston strongly supports transition to a mandatory program as a way to level the playing field, obtain the changes necessary to meet the City's and the Commonwealth's greenhouse gas reduction goals, and allow the real-estate market to properly value energy assets and performance. The wide availability of rating information should be public as soon as possible.

The definition of "similar" buildings has not yet been characterized; we hope that there will be a nexus between the older Boston building stock and the commercial landscape in other municipalities. In addition, because it may not be possible to perform deep retrofits of historic structures due to space and other considerations, we are concerned that owners will see demolition and new construction as an alternative that will provide the greatest market benefit. We ask that this issue be discussed as the pilot and program fine-tuning progress.

It was my pleasure to have participated with other stakeholders in discussions with DOER during its process toward the development of the White Paper. Boston is committed to working with the Commonwealth in the further development of ratings programs and is pleased to offer our participation in the pilot program.

Sincerely

James W. Hunt, III

Chief